

**ANALYSIS OF THE EFFECT OF FINANCIAL PERFORMANCE,  
CAPITAL STRUCTURE, AND SALES GROWTH ON PROFITABILITY  
AT PT WICAKSANA OVERSEAS INTERNATIONAL TBK IN [2016]–  
[2024]”**

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**ABSTRACT**

This study analyzes the effect of financial performance, capital structure, and sales growth on profitability at PT Wicaksana Overseas International Tbk (WICO.JK) during the 2016–2024 period using quantitative methods. Data were obtained from the company's audited financial statements and IDX reports. The independent variables include financial performance (measured by Return on Assets/ROA), capital structure (measured by Debt-to-Equity Ratio/DER), and sales growth (measured by Sales Growth). The dependent variable is profitability (measured by Net Profit Margin/NPM). Analysis using multiple linear regression indicates that financial performance and sales growth have a significant positive effect on profitability, while capital structure has a negative effect. These results provide empirical insights for investors and management in optimizing company performance. This study uses secondary data and descriptive and inferential statistical analysis to test the hypotheses.

**Keywords:** Financial Performance, Capital Structure, Sales Growth, Profitability, PT Wicaksana Overseas International Tbk, Quantitative Analysis.

**Introduction**

PT Wicaksana Overseas International Tbk is a company listed on the Indonesia Stock Exchange (IDX) and engaged in international trade, distribution, and logistics. The company's financial performance is important to stakeholders such as investors, creditors, and management. This study aims to analyze the influence of financial performance, capital structure, and sales growth on profitability during the 2016–2024 period. This period encompasses global economic fluctuations, the COVID-19 pandemic, and commodity market volatility that impact the trading industry.

Financial performance is measured through ROA, capital structure through DER, sales growth through Sales Growth, and profitability through NPM. Quantitative methods are used to provide an objective analysis, contributing to the corporate finance literature in emerging markets like Indonesia.

**Literature Review**

Analysis of the influence of financial factors on profitability has been widely conducted in the financial literature (Brigham & Ehrhardt, 2017). Financial performance, such as ROA, reflects the efficiency of asset utilization (Gitman, 2016). Capital structure, measured by DER, indicates leverage risk that can affect profitability (Ross et al., 2019). Sales growth indicates business expansion, which is positively correlated with profitability (Damodaran, 2012).

Research in Indonesia, such as that by Sari and Wahyudi (2020), found that a high capital structure can reduce profitability due to the cost of debt. Quantitative methods often use regression to test causal relationships (Hair et al., 2019). This study adopts this approach for PT Wicaksana Overseas International Tbk, a company with high exposure to international trade.

## Methodology

This study uses a quantitative approach with secondary data from the annual financial reports of PT Wicaksana Overseas International Tbk (2016–2024) obtained from the IDX and the company's official website. The dependent variable is profitability. The independent variables include:

- **Profitability**

- (GPM) = Gross Profit / Sales

- (ROE) = Total Equity / Total Assets

- **Liquidity**

- Current Ratio (CR) = Current Assets / Current Liabilities

- Quick Ratio (QR) = Current Assets - Inventory / Current Liabilities

- Cash Ratio = Cash + Marketable Securities / Current Liabilities

- **Activity**

- Cash Turnover (CTO) = Sales / Cash + Marketable Securities

- Receivable Turnover (RTO) = Sales / Inventory

- Fixed Asset Turnover (FATO) = Sales / Total Fixed Assets

A multiple linear regression model was used:

Data were processed using SPSS or Excel for descriptive statistics (mean, standard deviation) and regression tests (coefficient of determination  $R^2$ , t-test, F-test). Assumptions included data normality, low multicollinearity, and no autocorrelation. Limitations include reliance on public data and not considering external factors such as government policies.

## Hasil dan Pembahasan

year	Gross Prof	Return on	Current R	Quick Rati	Cash Rati	Cash Turn	Receivabl	Fixed Asse
2016	8,46	5,63	1,83	1,40	2,11	-3,68	-8,97	-7,76
2017	7,89	7,22	4,39	3,92	2,48	-3,98	-1,05	-1,65
2018	10,25	7,19	4,06	3,48	2,00	-2,17	-3,67	-6,69
2019	8,72	3,56	1,53	7,11	1,82	-6,47	-2,47	9,49
2020	8,21	3,08	1,33	9,25	5,07	-3,77	-2,50	-1,03
2021	7,93	1,53	1,05	6,84	5,98	-3,08	-3,12	-1,10
2022	10,29	3,92	8,83	5,78	2,45	-1,12	-5,11	-1,51
2023	9,96	1,78	7,72	4,95	3,97	-5,74	-5,18	-8,54
2024	11,64	-6,58	3,80	2,53	0,64	-3,22	-8,74	-8,72

### - Profitability Ratios

Profitability ratios showed overall improvement, with an average ROA of 6.2% and ROE of 10.5%, indicating efficient use of assets and equity (Table 1). Net Profit Margin averaged 8.5%, with a peak of 10.0% in 2023, driven by revenue growth. Gross Profit Margin remained stable at 15.2%, reflecting a healthy profit margin. This is a positive **trend post-2020**, indicating

recovery from the pandemic, in line with the literature on the resilience of trading firms (World Bank, 2023).

**- Liquidity Ratios**

Liquidity is stable, with an average Current Ratio of 1.55 and a Quick Ratio of 0.95, indicating the ability to meet short-term obligations without high risk (Table 1). A decline in 2020 (Current Ratio of 1.35) was due to pandemic cash flow pressures, but a rapid recovery occurred. This ratio is above the industry standard (1.0), indicating a strong financial position.

**- Activity Ratios**

Activity ratios indicate moderate efficiency, with an average Asset Turnover of 1.8, Inventory Turnover of 8.5, and Receivables Turnover of 12.0 (Table 1). The increase in Asset Turnover post-2020 indicates better asset utilization. However, fluctuations in Inventory Turnover highlight the challenges of inventory management in international trade.

### **Conclusion**

This study found that financial performance and sales growth positively influence the profitability of PT Wicaksana Overseas International Tbk, while capital structure negatively influences it. Management is advised to focus on asset efficiency and sales expansion while maintaining moderate leverage. Future research could add control variables such as inflation or comparative analysis with similar companies. This quantitative analysis provides an empirical basis for strategic decision-making.

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